

Oceania Capital Partners Limited

ABN 52 111 554 360

Half-year Financial Report

30 September 2015

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The Directors present their report together with the financial report of the Consolidated Entity comprising Oceania Capital Partners Limited ("the Company" or "OCP") and its controlled entities (together "the Consolidated Entity") for the half year ended 30 September 2015 and the Auditor's report thereon.

Directors

The names of the directors of the Company in office during the half-year and until the date of this report are shown below:

Robert Moran	(Non-executive Chairman)
Michael Jacobson	(Executive Director)
Brian Scheiner	(Executive Director)

Operating and financial review

The principal activity of the Company during the course of the current and prior reporting periods was investment. The Company has invested in operating businesses, whether privately owned or publicly listed, with decisions being based on the fundamental investment characteristics of the business. The primary objective has been investing capital in businesses which have characteristics of resilience and will grow over the investment period, enabling a successful, profitable exit for the Company.

The Consolidated Entity's principal investments during the period under review were:

- 95% interest in EON Broadcasting Pty Ltd ("EON"), the owner and operator of two commercial FM radio stations on the Queensland Sunshine Coast through its subsidiary Sunshine Coast Broadcasters Pty Ltd ("SCB");
- 52.76% interest in Baycorp Holdings Pty Ltd ("Baycorp"), a receivables management company;
- 50% interest in Cohort Holdings Australia Pty Ltd ("Cohort"), a company specialising in digital lead generation and marketing;
- 97% interest in the Crimsafe group of entities.

On 28 September 2015 the Consolidated Entity announced that it had entered into an agreement with Encore Capital Group Inc. ("Encore") to partially sell down its ownership interest in Baycorp Holdings Pty Limited, subject to certain conditions precedent. The relevant conditions having been satisfied, the transaction completed on 21 October 2015. Under the terms of the agreement the Consolidated Entity's entire ownership interest in Baycorp has been disposed of to a new entity, BC Holdings 1 Pty Ltd ("Hold Co"), in exchange for 24.875% of Hold Co together with stapled loan notes, issued by a subsidiary of Hold Co with a face value of \$10 million and \$18.4 million in cash, of which \$1.8 million has been placed in escrow for a period of up to two years. Accordingly the Consolidated Entity's interest in Baycorp has been classified as held for sale as at the end of the reporting period.

There were no other significant changes in the affairs of the Consolidated Entity during the financial period under review.

Results for the period

The net profit after tax of the Consolidated Entity for the half year to 30 September 2015 was \$3.2 million (2014: \$0.6 million).

The current period result includes:

- Interest income of \$0.1 million (2014: \$0.4 million);
- Revenue of \$4.6 million (2014: \$4.0 million) and profit before interest and tax of \$1.1 million (2014: \$0.9 million) from the operations of SCB;
- Revenue of \$16.1 million (2014: nil) and profit before interest and tax of \$1.5 million (2014: nil) from the operations of Crimsafe;
- \$0.4 million of transaction costs associated with the Baycorp transaction;
- A \$0.5 million mark-to-market upward fair value adjustment to the carrying value of listed shares (2014: \$0.1 million downward)
- An equity accounted profit of \$1.2 million (2014: \$0.7 million) from Baycorp;
- An equity accounted profit of \$0.7 million (2014: nil) from Cohort.

Financial position

At 30 September 2015 the Consolidated Entity had net assets of \$85.1 million (31 March 2015: \$82.9 million).

At 30 September 2015 the Consolidated Entity had cash at bank of \$10.7 million (31 March 2015: \$10 million) of which \$6.3 million represents investable cash. Subsequent to the period end investable cash was increased to \$22 million on receipt of the Baycorp proceeds.

At 30 September 2015 the Consolidated Entity's borrowings amounted to \$14.9 million (31 March 2015: \$17.2 million). Borrowings relate to the bank borrowings of the following subsidiaries:

- EON, secured over the assets of EON and SCB, and;
- Crimsafe Holdings Pty Ltd, secured over the assets of the Crimsafe group of Entities.

These borrowings are non-recourse to the Consolidated Entity.

Dividends

No final dividend for the period ended 31 March 2015 was proposed or declared. No interim dividend has been proposed or declared for the period ended 30 September 2015.

Events subsequent to reporting date

Other than those matters described above, the Directors are not aware of any other matter or circumstance that has occurred since the end of the financial period that has significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial periods.

Likely developments and prospects

The Company will continue its strategy of seeking to make investments in opportunities as identified by the Board of Directors and to add value to these over time.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the period ended 30 September 2015.

Rounding of amounts

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Robert Moran', written in a cursive style.

Robert Moran
Chairman

Dated at Sydney this 19th day of November 2015

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF OCEANIA CAPITAL PARTNERS LIMITED

As lead auditor for the review of Oceania Capital Partners Limited for the half-year ended 30 September 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Oceania Capital Partners Limited and the entities it controlled during the period.



Grant Saxon
Partner

BDO East Coast Partnership

Sydney, 19 November 2015

Oceania Capital Partners Limited
Consolidated Income Statement
for the half-year ended 30 September 2015

	Note	September 2015 \$'000	September 2014 \$'000
Revenue		20,740	4,029
Interest income		101	420
Dividends received		1	80
Total revenue		20,842	4,529
Raw materials and inventory		(9,126)	-
Due diligence and transaction costs		(425)	-
Employee benefits expense		(4,369)	(2,354)
Broadcast production costs		(343)	(294)
Selling expenses		(606)	(545)
Promotions, advertising and marketing		(1,946)	(73)
Administration and other costs		(2,447)	(1,091)
Depreciation		(191)	(70)
Finance costs		(407)	(147)
Profit on sale of financial assets		20	166
Fair value adjustment of financial assets		499	(70)
Share of profits of jointly controlled entities	7	2,002	740
Profit before income tax		3,503	791
Income tax expense		(320)	(211)
Profit for the half-year		3,183	580
Attributable to			
Equity holders of the parent		3,149	566
Non-controlling interests		34	14
		3,183	580
		Cents	Cents
Earnings per share for profit attributable to ordinary equity holders of the parent			
Basic earnings per share	3	8.92	1.60
Diluted earnings per share	3	8.92	1.60

The above Consolidated Income Statement should be read in conjunction with the accompanying notes

Oceania Capital Partners Limited
Consolidated Statement of Comprehensive Income
for the half-year ended 30 September 2015

	Note	September 2015 \$'000	September 2014 \$'000
Profit for the period		3,183	580
Other comprehensive income			
<i>Items that may be reclassified to profit of loss</i>			
Exchange differences on translation of foreign operations		22	-
Share of exchange differences on translation of foreign operations of jointly controlled entities	7	(1,004)	(288)
Total comprehensive income for the half-year		2,201	292
Total comprehensive income for the half-year attributable to:			
Equity holders of the parent entity		2,167	278
Non-controlling interests		34	14
		2,201	292

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes

Oceania Capital Partners Limited
Consolidated Statement of Financial Position
as at 30 September 2015

	30 September 2015	31 March 2015 (Restated)
Note	\$'000	\$'000
Current assets		
Cash and cash equivalents	10,707	9,956
Trade and other receivables	5,546	7,281
Inventories	5,218	5,372
Other financial assets	4 2,332	1,591
Current tax asset	271	241
	24,074	24,441
Assets classified as held for sale	6 34,500	-
Total current assets	58,574	24,441
Non-current assets		
Other receivables	682	906
Investments accounted for using the equity method	7 6,502	40,364
Property, plant and equipment	1,697	1,772
Intangible assets	36,836	36,836
Deferred tax assets	256	265
Total non-current assets	45,973	80,143
Total assets	104,547	104,584
Current liabilities		
Trade and other payables	3,666	3,438
Interest bearing loans and borrowings	1,898	3,232
Current tax liabilities	59	330
Employee benefits	503	433
Total current liabilities	6,126	7,433
Non-current liabilities		
Interest bearing loans and borrowings	13,015	13,989
Employee benefits	329	286
Total non-current liabilities	13,344	14,275
Total liabilities	19,470	21,708
Net assets	85,077	82,876
Equity		
Issued capital	8 243,466	243,466
Reserves	25,712	26,694
Accumulated losses	(184,860)	(188,009)
Total equity attributable to equity holders of the parent	84,318	82,151
Non-controlling interests	759	725
Total equity	85,077	82,876

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

Oceania Capital Partners Limited
Consolidated Statement of Changes in Equity
for the half-year ended 30 September 2015

	Contributed equity \$'000	Equity reserve \$'000	Other reserves ¹ \$'000	Accumulated losses \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
Balance at 1 April 2014	243,466	25,690	402	(190,952)	78,606	380	78,986
Profit for the period	-	-	-	566	566	14	580
Other comprehensive income for the period, net of tax	-	-	(288)	-	(288)	-	(288)
Total comprehensive income for the half-year	-	-	(288)	566	278	14	292
Balance at 30 September 2014	243,466	25,690	114	(190,386)	78,884	394	79,278
Balance at 1 April 2015	243,466	25,690	1,004	(188,009)	82,151	725	82,876
Profit for the period	-	-	-	3,149	3,149	34	3,183
Other comprehensive income for the period, net of tax	-	-	(982)	-	(982)	-	(982)
Total comprehensive income for the half-year	-	-	(982)	3,149	2,167	34	2,201
Balance at 30 September 2015	243,466	25,690	22	(184,860)	84,318	759	85,077

¹ Including foreign currency translation reserves

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Oceania Capital Partners Limited
Consolidated Cash Flow Statement
for the half-year ended 30 September 2015

	September	September
	2015	2014
	\$'000	\$'000
<hr/>		
Cash flows from operating activities		
Receipts from customers	24,303	3,262
Payments to suppliers and employees	(20,656)	(3,725)
Interest received	122	408
Income taxes paid	(613)	(229)
Net cash from (used) in operating activities	3,156	(284)
<hr/>		
Cash flows from investing activities		
Proceeds from realisation of financial assets	25	581
Dividend received from equity accounted investment	360	-
Loan repayment received	251	-
Net payments for property, plant and equipment	(116)	(119)
Payment for acquisition of other financial assets	(245)	(4,980)
Net cash from (used) in investing activities	275	(4,518)
<hr/>		
Cash flows from financing activities		
Repayment of borrowings	(2,279)	(375)
Interest paid	(401)	(151)
Net cash used in financing activities	(2,680)	(526)
<hr/>		
Net increase (decrease) in cash and cash equivalents	751	(5,328)
Cash and cash equivalents at the beginning of the period	9,956	34,324
Cash and cash equivalents at the end of the period	10,707	28,996

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes

1. Significant accounting policies

Statement of compliance

The consolidated financial report for the half-year ended 30 September 2015 has been prepared in accordance with the Corporations Act 2001 and ASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The Consolidated Entity comprises Oceania Capital Partners Limited (“the Company” or “OCP”), and its controlled entities (together referred to as the “Consolidated Entity”).

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors’ report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Consolidated Entity’s 2015 annual financial report for the financial period ended 31 March 2015.

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported. Adjustments have been made to the 31 March 2015 statement of financial position as outlined in note 10.

Estimates

The preparation of the half year financial report requires management to make judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the half year financial report, including the key sources of estimation uncertainty were the same as those applied in the Consolidated Entity’s last annual financial statements for the period ended 31 March 2015.

Oceania Capital Partners Limited
Notes to the Financial Statements
for the half-year ended 30 September 2015

2. Segment reporting

Operating segments are determined based on the industry sectors that the Consolidated Entity has invested. The primary operating segments during the period were:

Segment	Investee entity
Regional Radio	EON Broadcasting Pty Ltd
Security Screens	Crimsafe Holdings Pty Ltd
Lead generation	Cohort Holdings Australia Pty Ltd
Financial services	Baycorp Holdings Pty Ltd

Segment information is disclosed in a manner that reflects the management information reviewed by the Chief Operating decision maker and on a financial reporting basis to reflect that the Consolidated Entity does not control and, therefore, does not consolidate all the businesses in which it has invested.

The revenue and earnings of the Regional Radio and Security Screen segments are typically greater in the second half of the financial year due to the impact of the end of calendar year holiday shopping period.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Transfer prices between segments are determined on an arm's length basis. All such transfers are eliminated on consolidation and are not considered material.

Other than the United States based operation of Crimsafe, the Consolidated Entity operates primarily in one geographical area being the Asia Pacific region.

The following is an analysis of the Consolidated Entity's revenue and results by reportable segment for the half year:

	Segment revenue		Segment profit	
	September	September	September	September
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Regional radio	4,606	4,029	1,071	861
Security screens	16,134	-	1,517	-
Lead generation	-	-	741	-
Financial services	-	-	1,261	740
Unallocated	-	-	520	177
	20,740	4,029	5,110	1,778
Interest income			101	420
Finance costs			(407)	(147)
Due diligence and transaction costs			(425)	-
Central administration and employee costs			(876)	(1,260)
Profit before tax			3,503	791

Oceania Capital Partners Limited
Notes to the Financial Statements
for the half-year ended 30 September 2015

2. Segment reporting (continued)

The revenue reported above represents revenue generated from external customers. Segment profit represents the profit earned by each segment without allocation of central administration costs and director's salaries, investment income, finance costs and income tax expense. The share of equity accounted profits of joint ventures is allocated to the relevant segment.

	September 2015 \$'000	March 2015 \$'000
Segment assets and liabilities		
Segment assets		
Regional radio	19,522	19,668
Security screens	34,577	35,654
Lead generation	6,502	6,121
Financial services	34,500	34,243
Unallocated	9,446	8,898
Total assets	104,547	104,584
Segment liabilities		
Regional radio	5,264	5,850
Security screens	13,590	15,650
Unallocated	616	208
Total liabilities	19,470	21,708

For the purposes of monitoring segment performance and allocation of resources between segments:

- 1) all assets are allocated to reportable segments other than current and deferred tax assets. Goodwill is allocated to the relevant segment, and;
- 2) all liabilities are allocated to reportable segments other than current and deferred tax liabilities.

3. Earnings per share

	September 2015 \$'000	September 2014 \$'000
Profit for the period attributable to ordinary equity holders of the parent entity	3,149	566
	Number of shares	Number of shares
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	35,307,209	35,307,209
	Cents	Cents
Basic earnings per share	8.92	1.60
Diluted earnings per share	8.92	1.60

4. Other financial assets

	September 2015 \$'000	March 2015 \$'000
Other financial assets through profit and loss	2,332	1,591

Other financial assets represent the Consolidated Entity's investment in listed securities.

5. Fair value measurement of financial instruments

a) Fair value hierarchy

The table below analyses the financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices), and;
- Level 3: inputs for the asset or liability that are that are not based on observable market data (unobservable inputs).

30 September 2015	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets designated at fair value through profit or loss	2,332	-	-	2,332

31 March 2015	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets designated at fair value through profit or loss	1,591	-	-	1,591

b) Fair value of other financial instruments (not carried at fair value)

The Consolidated Entity also has financial assets and liabilities which are not measured at fair market value on the balance sheet. The fair values of these instruments are not materially different from their carrying value as at the interest rate payable is close to the current market rates or the instruments are short term in nature.

6. Assets classified as held for sale

On 28 September 2015 the Consolidated Entity announced that it had entered into an agreement with Encore Capital Group Inc. (“Encore”) to partially sell down its ownership interest in Baycorp Holdings Pty Limited, subject to certain conditions precedent. The relevant conditions having been satisfied, the transaction completed on 21 October 2015. Under the terms of the agreement the Consolidated Entity’s entire ownership interest in Baycorp has been disposed of to a new entity, BC Holdings 1 Pty Ltd (“Hold Co”), in exchange for 24.875% of Hold Co together with stapled loan notes, issued by a subsidiary of Hold Co with a face value of \$10 million and \$18.4 million in cash, of which \$1.8 million has been placed in escrow for a period of up to two years. Accordingly the Consolidated Entity’s interest in Baycorp has been classified as held for sale as at the end of the reporting period.

7. Investments accounted for using the equity method

The Consolidated Entity accounts for investments in jointly controlled entities using the equity method. Investments are in companies incorporated in Australia.

Name of entity	Carrying value	
	September 2015 \$’000	March 2015 \$’000
Baycorp Holdings Pty Limited (“Baycorp”)	-	34,243
Cohort Holdings Australia Pty Ltd (“Cohort”)	6,502	6,121
	6,502	40,364

The Consolidated entity holds a 50% interest in Cohort. Notwithstanding the ownership level of 50% the Consolidated Entity does not have the capacity to control the activities and decision making of Cohort as the investment is jointly controlled under the terms of a shareholders’ agreement. Accordingly the equity method of accounting is applied.

The Consolidated Entity holds a 52.76% interest in Baycorp. Notwithstanding the ownership level of above 50% the Consolidated Entity does not have the capacity to control the activities and decision making of Baycorp as the investment is jointly controlled under the terms of a shareholders’ agreement. Accordingly the equity method of accounting was applied during the period. The investment in Baycorp has been classified as held for sale with effect from 30 September 2015 (refer note 6).

7. Investments accounted for using the equity method (continued)

The movements in carrying value of investments accounted for using the equity method during the period are as follows:

Baycorp	September 2015 \$'000	March 2015 \$'000
Carrying value at the beginning of the period	34,243	32,646
Share of net equity accounted profits after tax	1,261	1,168
Share of post acquisition movements in reserves	(1,004)	429
Transfer to assets classified as held for sale (Note 6)	(34,500)	-
Carrying value at the end of the period	-	34,243

Cohort	September 2015 \$'000	March 2015 \$'000
Carrying value at the beginning of the period	6,121	-
Share of net equity accounted profits after tax	741	245
Dividends received	(360)	-
Acquisition during the period	-	5,876
Carrying value at the end of the period	6,502	6,121

8. Issued share capital

	September 2015 Number	September 2015 \$'000
Issued share capital	35,307,209	243,466

There were no movements in the issued share capital of the Company in the current or prior comparative half-year periods.

9. Contingent liabilities

The Consolidated Entity had no material contingent liabilities at 30 September 2015.

10. Business combinations

In March 2015 the Consolidated Entity acquired the Crimsafe group of entities. As at 31 March 2015 the initial accounting for the acquisition was provisionally determined. As at 30 September 2015 this process has not yet been finalised as it is expected that new information will be obtained about facts and circumstances that existed as of the acquisition date. Certain adjustments have however been made in relation to the assets and liabilities recognised as a result of the acquisition.

	Provisional fair value recognised on acquisition \$'000	Updated provisional fair value recognised on acquisition \$'000
Trade and other receivables	5,817	5,892
Inventories	5,591	5,372
Property, plant and equipment	1,222	1,221
Deferred tax asset	141	141
Current tax receivable	189	241
Intangible asset – brand name	8,500	8,500
Trade and other payables	(2,438)	(2,562)
Borrowings	(1,423)	(1,423)
Employee benefit obligations	(469)	(469)
Net identifiable assets acquired	17,130	16,913
Add: goodwill	11,681	11,898
Net assets acquired	28,811	28,811
Cash balance acquired	2,389	2,389
	31,200	31,200

11. Events subsequent to balance date

Other than those matters detailed in note 6, there have been no significant events subsequent to balance date.

**Oceania Capital Partners Limited
Directors' Declaration
for the half-year ended 30 September 2015**

In the opinion of the Directors of Oceania Capital Partners Limited:

- a) the financial statements and note set out on pages 7 to 18 are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the financial position of the consolidated entity as at 30 September 2015 and of its performance for the six month period ended on that date, and;
 - ii. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the Corporations Regulations 2001, and;
- b) there are reasonable grounds to believe that Oceania Capital Partners Limited will be able to pay its debts as they become due and payable.

Signed in accordance with a resolution of the Directors.



Robert Moran
Chairman

Dated at Sydney this 19th day of November 2015

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Oceania Capital Partners Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Oceania Capital Partners Limited, which comprises the consolidated statement of financial position as at 30 September 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Oceania Capital Partners Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

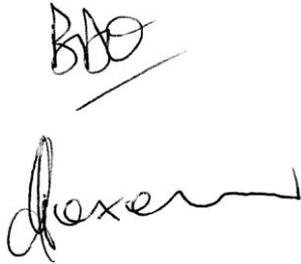
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Oceania Capital Partners Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Oceania Capital Partners Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 September 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

BDO East Coast Partnership

A handwritten signature in black ink, appearing to read 'Grant Saxon', with a horizontal line underneath it.

Grant Saxon
Partner

Sydney, 19 November 2015